A BILL

To promote the national defense by providing for three functionally balanced military departments unified under a Secretary of National Defense, and for further integration, under a Council of National Defense, with all other departments and agencies of the Government concerned with the national defense.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this act may be cited as the "Mational Defense Act of 19h?".

DECLARATION OF POLICY

SEC. 2. In enacting this legislation, it is the intent of Congress to provide a comprehensive and continuous program for the future security of the United States; to coordinate under civilian control the departments and agencies of the Government and their functions relating to the national defense; to provide permanent machinery for the establishment of integrated programs for the maximum use of the Nation's military, human, natural, and industrial resources in the interests of national defense; to provide for coordination of the nation's foreign intelligence activities and for the central operation of fereign intelligence functions which can be most effectively performed centrally; to realize the economics that can be achieved through unified control or conselidation of supply and service functions; to prevent undesirable duplication and overlapping of functions; and to insure the establishment of an efficient team of land, sea, and air forces to protect our national security.

NATIONAL DEFENSE

COUNCIL OF NATIONAL DEFENSE

- SEC. 101 (a) There is hereby established an independent agency of the Government to be known as the "Gouncil of National Defense (hereinafter in this section referred to as the "Council"). The function of the Council shall be the coordinating and integrating of national defense policies. The Council shall be composed of the Secretary of State, who shall be Chairman, the Secretary of National Defense, who shall be vice-chairman, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Chairman of the National Security Resources Board, and such other members as the President may designate from time to time. Members of the Council shall not receive any compensation for their service as such members.
- (b) The President may attend meetings of the Council at his discretion and shall preside over all meetings which he attends.
- (c) The Director of Central Intelligence shall serve as the advisor to the Council on all matters pertaining to national intelligence and, in this capacity, he may attend meetings of the Council in its discretion, but shall take no part in the decisions thereof. The Joint Chiefs of Staff may also be invited by the Council to attend any meeting thereof.
- delegate to it for the purpose of more effectively coordinating the departments and agencies of the Government and their functions relating to the national defense, and for the purpose of more effectively implementing the intent of Congress in this Act, it shall, subject to the direction of the President, be the duty of the Council:

SEC. 101 (Cent.)

- (1) To coordinate overall policies in the fields of foreign and military policy:
- (2) To bring into common action the national defense policies of the United States and to provide for unity in the execution thereof;
- (3) To assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interests of our national defense; and
- (h) To initiate measures to bring into common action the executive departments, independent agencies, boards, commissions, Government corporations, and other agencies in the executive branch of the Government as may be necessary to provide for the national defense. The Council will direct and supervise such action in agencies under its supervision or control. Each member will take appropriate and necessary action to carry out the decisions of the Council within the department or agency which he represents; with respect to decisions which affect departments or agencies beyond the control of the Council, or not represented by members of the Council, appropriate action will be recommended to the heads thereof and if action satisfactory to the Council is not taken by such departments and agencies the Council shall submit to the President its recommendations together with the comments of the heads of departments or agencies concerned.

- executive secretary who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$12,000 per annum. The executive secretary shall prepare the agenda of the Council and shall have the duty of providing data essential to its deliberations and distributing its conclusions to the departments and agencies concerned for information and appropriate action. The executive secretary shall perform such other duties as may be prescribed by the Council.
- report in writing to the President and to the Congress giving an account of all meneys received and disbursed by the Council, making such recommendations and legislative proposals as it shall deem necessary to improve the national defense, and describing the work done by the Council in such detail as is not inconsistent with national security. The Council shall, from time to time, make such recommendations and such other reports to the President as it deems appropriate or as the President may require.

CENTRAL INTELLIGENCE AGENCY

- SEC. 102 (a) Establishment of the Central Intelligence Agency:
- (1) There is hereby established a Central Intelligence Agency
 (hereinafter called the Agency), with a Director of Central Intelligence
 who shall be the head thereof, to be appointed from civilian or military
 life by the President, by and with the advice and consent of the Senate.
 The Director shall receive compensation at the rate of \$15,000 per annum.
 - from civilian or military life by the President, by and with the advice and consent of the cenate. The Deputy Director shall receive compensation at the rate of \$10,000 per annum. The Deputy Director shall be authorised to sign such letters, papers, and documents, and to perform such other duties as may be directed by the Director of Central Intelligence, and to act as Director in the absence of that officer, or in the case of a vacancy in the office of Director.
 - Service of the United States, and any commissioned officer of the United States Army, the United States Navy, or the United States Air Force, may be assigned to or detailed for duty with the Agency; and such service shall in no way affect any status, office, rank, or grade he may occupy or hold in the Department of State, the Foreign Service of the United States, the United States Army, the United States Havy, or the United States Air Force, or any emolument, prerequisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, notwithstanding the provisions of Title 10 U.S. Code, Sec. 576 and Fublic Law 72h, 79th Congress, approved August 13, 19h6, and entitled Man Act to improve, strengthen, and

SEC. 102 (a) (Cont.)

revise the laws relating to its administration," or any other law pertaining to such pay and allowances. Any such officer of the Department of State, the Foreign Service of the United States, or commissioned officer on the active list shall reserve, while serving in a position established in Sec. 3 (b) of this Act, the State Department, the Foreign Service, or the pay and allowances payable to an officer of his grade and length of service, and shall be paid, from any funds available to defray the expenses of the Agency, annual compensation at a rate equal to the difference between the salary set forth for such position in Sec. 3 (b) of this Act and the amount of such State Department, Foreign Service, or military pay and allowance.

(h) Notwithstanding section 2 of the Act of July 31, 1894 (28 Stat. 205), as smended (5 U.S.C. 62), or section 6 of the Act of May 10, 1916 (39 Stat, 120), as smended (5 U.S.C. 58, 59), the Director of Central Intelligence may appoint to, and employ in, any civilian office or position in the Agency, and pay, any retired commissioned officer, or retired warrant officer, of the Army, Navy, Air Force, Coast Guard, Coast and Geodetic Survey, and Public Health Service. The retired status, office, rank, and grade of retired commissioned officers, or retired warrant officers, so appointed or employed and, except as provided in section 212 of the Act of June 30, 1932 (h7 Stat. 406), as amended (5 U.S.C. 59a), any emolument, prerequisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, shall be in no way affected by reason of such appointment to or employment in, or by reason of service in, or acceptance or holding of, any civilian office or position in the Agency or the receipt of the pay thereof.

SEC. 102 (b) The following definitions will govern this

- (1) The term "foreign intelligence" shall be construed to mean the product of the timely evaluation, correlation, and interpretation of foreign intelligence information,
- (2) The term "foreign intelligence information" shall be construed to mean all data pertaining to foreign governments or areas, which may affect the foreign policy or the national defense and security of the United States.
- (3) The term "research" shall be construed to mean a process of evaluation (selection), correlation (synthesis), and interpretation (analysis) of intelligence information for the production of intelligence.
- (h) The term "evaluation" shall be construed to mean a process of systematic and critical examination of intelligence information for the purpose of determining its usefulness, credibility, and accuracy.
- (5) The term "correlation" shall be construed to mean a process of synthesis of intelligence information with all available related material.
- (6) The term "interpretation" shall be construed to mean a process of determining the probable significance of evaluated intelligence information.

AND.

- SEC. 102 (c) Functions of the Central Intelligence Agency.
- (1) In order to assure the most effective accomplishment of the national intelligence mission of the United States, the Agency shall:
 - (a) Develop over-all policies, plans, requirements, objectives, and procedures to assure the most effective assumplishment of the national intelligence mission and to implement the provisions of this Act;
 - (b) Coordinate such of the foreign intelligence activities of the departments and agencies of the Government as relate to the national defense and security;
 - (c) Collect foreign intelligence information originating cutside the continental limits of the United States by any and all means deemed effective;
 - (d) Give timely evaluation, correlation, and interpretation to foreign intelligence information:
 - (e) Disseminate national intelligence to the President, the Council of National Defense, and appropriate departments and agencies of the Government;
 - (f) Operate such foreign intelligence services as can best be performed, or be more efficiently or economically accomplished, centrally;
 - (g) Administer the personnel and logistical needs of the Agency, including the procurement, training, and supervision of the Agency's personnel, its budgetary requirements and disbursement of funds, and the provision of administrative

Approved For Release 12000/087257 CHA-REP 57-00384R0011000030045-4

SEC. 102(c) (Cont.)

- (h) Be responsible for fully protecting sources and methods used in the collection of foreign intelligence information received by the Agency;
- Provide for the internal security of the Agency,
 including the complete security of its policies, plans,
 requirements, objectives, procedures, operations, and personnel;
- (j) Formulate and promulgate integrated security policies and professiones pertaining to the safeguarding of classified information and matter of the various departments and agencies of the Government, in the interest of the national defense and security; and
- (k) Perform such other functions and duties relating to foreign intelligence as the President or the Council of National Defense may direct.
- (2) The responsibility and authority of the departments and agencies of the Government to collect, evaluate, correlate, interpret, and disseminate departmental intelligence shall not be affected except to the extent that they may be relieved of such responsibility and suthority by the provisions of this Act,
- (3) The Agency shall have the right to fransfer such responsibilities and authorities in the field of foreign intelligence between departments and agencies of the Government as do not lie within the recognized primary intelligence responsibilities of those departments and agencies.

SEC. 102(c) (Cent.)

- (h) Pelicies approved by the Agency in relation to the foreign intelligence activities of the United States, insofar as they affect the national defense and security, shall govern the intelligence activities of the various departments and agencies of the Government.
- (5) As required in the earrying out of the provisions of this Act, there will be made immediately swallable on a continuing basis to the Agency all intelligence, information, and such facilities as may be necessary, in the possession of the various departments and agencies of the Government.
- (6) The intelligence operations of the departments and agencies of the Government shall be open to inspection by the Agency in semmention with its planning functions.
- (7) The Agency shall have no police, subpoens, or law enforcement powers or functions, nor shall it have any functions concerning the internal security of the United States except as specifically authorised by Secs. 102(c) (1) (h,i and j) of this Act.
- EEC. 102(d) In the performance of its functions, the Central Intelligence Agency is authorised to:
 - (1) Procure necessary services, supplies and equipment without regard to the provisions of Section 3709, Revised Statutes (hl U.S.C. 5), as emended, upon certification by the pirector, or an efficial designated by him for that purpose, that such action is necessary in the interest of the common defense and security or upon a showing that advertising is not reasonably practicable, and

SEC. 102(d) (Cont.)

- (2) Pay quarters and cost of living allowances or in lieu thereof a salary differential to employees having permanent station outside the continental limits of the United States:
- (3) Transfer to and receive from funds available to other departments or agencies of the Government such sums as may be authorized by the Euresu of the Eudget, either as advance payment or reimbursement of appropriation, for the performance of any of the functions or activities authorized in this Act, and any other department or agency of the Government is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law concerning transfers between appropriations. Sums transferred to the Agency in assecrdance with this paragraph may be expended for the purposes and under the authority of this Act without regard to limitations of either appropriations;
- (4) Order to the continental United States on leave of absence any efficer or employee of the Agency upon completion of two (2) years' continuous service abroad, and pay travel expenses incident thereto of employees and their dependents to their place of residence in the United States and return. Such leave will not exceed sixty (60) calendar days, and will be exclusive of time actually and necessarily spent in travel and awaiting transportation:
- (5) Reimburse other Government departments and agencies for services of personnel assigned to the Agency, and other departments and agencies are hereby authorized so to assign or detail any officer or employee for duty with the Agency;

SEC. 102(d) (Cont.)

- (6) Emchange funds without regard to Section 3651 Revised Statutes (31 U.S.C. 513);
- (?) Authorise couriers designated by the Director to carry firearms when engaged in transportation of confidential documents and materials affecting the national defense and security;
- (8) Notwithstanding the provisions of Section 6 of the Act of August 21, 1912 (37 Stat. 555), or the provisions of any other law, the Director of Central Intelligence may, in his absolute discretion, terminate the employment of any officer or employee of the Agency whenever he shall deem such termination necessary or advisable in the interests of the United States, but such termination shall not affect the right of such officer or employee to seek or accept employment in any other department or agency of the Covernment if declared eligible for such employment by the United States Civil Service Commission.
 - SEC. 102 (e) Appropriations.
- (a) There are hereby authorised to be appropriated to the Central Intelligence agency such sums as may be necessary and appropriate to enable that Agency to perform its functions as specified in this act.
- (b) Within the limits of such appropriations, the Director of Central Intelligence is authorized to employ persons and means and make expenditures, at the seat of Government and elsewhere, for personal services, rent, travel expenses, preparation and transportation of the remains of officers and employees who die abroad or in transit, while in dispatch of their official duties, to their former

SEC. 102(e) (Cont.)

and for ordinary expenses of such interment; rental of news-reporting services; purchase of or subscription to law books, books of reference, periodicals, newspapers, commercial and trade reports; purchase or rental and operation of photographic, reproduction, cryptographic, duplication and printing machines, equipment and devices, and radio-receiving and radio-sending equipment and devices including telegraph and teletype equipment; purchase, maintenance, operation, repair and hire of meter-propelled or horse-drawn passenger-carrying vehicles and other vehicles, aircraft, and vessels of all kinds; printing and binding; purchase, maintenance, and cleaning of firearss.

(c) The Acts appropriating such sums may appropriate specified portions thereof which may be expended, (A) without regard to the previsions of law and regulations relating to the expenditures of Gevernment funds or the employment of persons in the Government service; (B) for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of Central Intelligence and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

MATIONAL SECURITY RESOURCES BOARD

- SEC. 103 (a) There is hereby established in the Council of Wational Defense a National Security Resources Board (hereinafter in this section referred to as the "Board") to be composed of the Chairman of the Board and such of the heads of the various executive departments and independent agencies as may from time to time be designated by the President to be members of the Board. The Chairman of the Board shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$15,000 per year.
- (b) It shall be the function of the Board to provide em a national scale the means for the active coordination of all military, industrial, civilian mobilization. It shall maintain in being plans for directing such mobilization and for reconciling it with our natural and economic resources so as to cause the lease possible disruption of the civil economy and to prevent harmful overlapping, duplication, or wasteful competition in procurement and other services throughout the economy of the nation.
- (c) It shall be the duty of the Chairman pursuant to policies prescribed by the Council of National Defense -
 - (1) To formulate policies and programs for translating military plans into industrial and civilian mobilization, and to review such policies and programs continuously in order to make such changes therein from time to time as may be necessary;

- (2) To define and assign responsibility for the orderly formulation of essential military and non-military requirements for men and material as a basis for the assignment of procurement responsibilities between military and civilian agencies in time of war;
- (3) To formulate plans and programs and establish basic national policies to assure the most effective mobilization and maximum utilization of the nation's manpower in the event of war;
- (h) To review the requirements for manpower for the civil economy including Civilian Defense, and the Federal Government including the military, and prescribe basic policies governing the filling of those requirements;
- (5) To develop unified programs and to establish policies for the maximum use in time of war of the nation's natural and industrial resources for military and civilian needs, for the maintenance and stabilization of the civilian economy, and for the adjustment of such economy to war needs and conditions;
- (6) To formulate policies and programs to unify, in time of war, the activities of Federal agencies and departments engaged in or concerned with production, procurement, distribution or transportation of military or divilian supplies, materials, and products and to resolve and determine differences between such agencies or departments;

SEC. 103 (Cont.)

- (7) To issue such directives on policy or operations to the Federal agencies and departments as may be necessary to carry out the overall programs, policies, and decisions approved by the Council of National Defense and the President. It shall be the duty of all such agencies and departments to execute these directives, and to make to the National Security Resources Board such progress reports as may be required;
- (8) To prepare and maintain an inventory of the natural resources of the nation and adequate information on the manpower, resources and productive facilities of the nation:
- (9) To formulate policies for establishing adequate reserves of strategic and critical material; and to insure the conservation of these reserves by exercising, through designated agencies, supervision over the export or other disposition of surpluses which may develop;
- (10) To formulate plans and policies for insuring the continued and adequate supply of those commodities which are not available within the United States;
- (11) To recommend to the Council of National Defense regarding the strategic relocation of industries, services, and government and economic offices whose continuous operation is essential to the nation's security.

SEC. 103 (Cont.)

- (d) The Chairman may perform the functions, exercise the powers, authority and discretion conferred on him by the above provisions through such officials, and such agencies and in such manner as the Board, subject to the approval of the Council of National Defense, may determine.
- (e) The Board shall have a staff to be headed by an executive secretary who shall be appointed from civil life by the Fresident, by and with the advice and consent of the Sanate, and shall receive compensation at the rate of \$10,000 a year. The executive secretary shall prepare the agenda of the Board and shall have the duty of providing data essential to its deliberations and distributing its conclusions to the departments and agencies concerned for information and appropriate action. The executive secretary shall perform such other duties as may be prescribed by the Board or the Chairman thereof.
- (f) The Board shall report annually to the Secretary of Mational Defens, an account of the work done by the Board and such report shall, to the extent consistent with the national security, be included in the annual report of the Secretary of Mational Defense.

TITLE II - UNIFIED ORGANIZATION

NATIONAL REFERSE ESTABLISHMENT

SEC. 201. The National Defense Establishment shall consist of the Department of the Army, Department of the Mavy, and the Department of the Air Perce, together with all components of the armed forces.

SECRETARY OF NATIONAL DEFENSE

SEC, 202. As head of the National Defense Establishment there shall be a Secretary of National Defense, to be appointed by the President by and with the advice and consent of the Senate, who, under the direction of the President, shall have authority to establish common policies and common programs for the integrated operation of the three military departments and shall exercise control over and direct their common efforts to discharge their responsibility for national security: Provided, That the Departments of the Army, Navy, and Air Force shall, under the overall direction of the Secretary of National Defense, be administered as individual units by their respective Secretaries: And provided further, That nothing herein contained shall prevent the Secretary of any such department from presenting to the President, after first so informing the Secretary of National Defense, any report or recommendation relating to his department which he may deem necessary or desirable.

SECCESSION TO THE PRESIDENCE

Act to provide for the performance of the duties of the Office of President in case of the removal, death, resignation, or inability both of the President and of the Vice President", approved January 19, 1886 (2h Stat. 1), is smended (1) by striking out "Secretary of War," and inserting in lieu thereof "Secretary of National Defense," and (2) by striking out "or if there be none, or in case of his removal, death, resignation, or inability, then the Secretary of the Navy."

SPECIAL ASSISTANTS

- sec. 20h. (a) The Secretary of National Defense is authorized to appoint, not to exceed, four special assistants to advise and assist him in the performance of his duties, especially in the fields of research and development, the precurement and distribution of supplies, and the furnishing of services where these activities affect more than one department.
- (b) Each such special assistant shall receive compensation at the rate of \$10,000 a year.

BUDGET PSTDIATES

responsible for integrating the budget estimates of the military departments and other agencies within the Mational Defense Establishment, and shall submit such estimates to the Bureau of the Budget. Such estimates shall be prepared in secondance with strategic requirements formulated by the Jeint Chiefs of Staff and shall be reviewed and consolidated as necessary by the War Council.

WAR COUNCIL

broad overall policies relating to the armed forces, there shall be a War Council composed of the Secretary of National Defense as Chairman, who shall have power of final decision; the Secretary of the Army; the Secretary of the Mavy; the Secretary of the Army; the Chief of Staff of the Army; the Chief of Mavel Operations; and the Chief of Staff of the Army; the Chief of

JOINT CHIEFS OF STAFF

- SEC. 207. (a) There is hereby established the Joint Chiefs of Staff, which shall consist of the Chief of Staff to the President, if that office exists; the Chief of Staff of the Army; the Chief of Haval Operations; and the Chief of Staff of the Air Force.
- (b) Subject to the authority and direction of the Secretary of National Defense, it shall be the duty of the Joint Chiefs of Staff -
 - (1) to prepare and integrate strategic plans and provide for the strategic direction of all United States military forces:
 - (2) to prepare joint logistics plans and to assign to the services logistic responsibilities in accordance with such plans:
 - (3) to establish unified field commands in strategic areas and bases in time of peace and in time of war, when such are in the interest of national security;
 - (4) to formulate for the military services consistent policies for joint training;

- (5) to review major material and personnel requirements of all the military forces in accordance with strategic and legistic plans;
- (6) to prepare the strategic requirements upon which the military budgets are based;
- (7) to provide United States representation on the Military Staff of the United Nations Organization;
- (8) to sot as the principal military advisors to the Secretary of National Defense and to the President.

JOINT STAFF

SEC. 208. There shall be a full time Joint Staff, to sensist of not to exceed 100 officers, to be provided in approximately equal numbers from the Army, Navy, and Air Force. The Joint Staff, operating under a Director thereof, shall carry out the policies and directives of the Joint Chiefs of Staff.

MILITARY MATERIAL AND MANPOWER BOARD

\$35. 209. (a) There is hereby established under the Joint War Council a Military Material and Manpower Board, hereinefter in this section referred to as the "Board". The function of the Board shall be in general to supervise and coordinate activities between the three departments with respect to the procurement of military supplies, logistics, industrial mobilisation, and medical care and hospitalisation; to develop programs designed to promote economy, efficiency, and the elimination of duplication and overlapping in the procurement and distribution of military supplies and in the furnishing of medical care, hospitalization, and other services; to coordinate the programs of the departments with those of the Mational Security Resources Roard and other governmental agencies performing functions with respect to the procurement and distribution of supplies, the furnishing of services, or the maintenance of inventories and information relating to the actual and potential manpower, resources, and productive facilities of the nation; and to promote educational programs designed to provide an adequate supply of trained personnel to conduct the military logistics of the Department and to promote educational programs designed to accustom industry to the actual and potential procurement programs of the Military Departments.

- the Board, the Under (or Assistant) Secretaries of the Army, Navy and Air Force. The Chairman of the Board shall be appointed from with life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$12,000 a year. The President may from time to time appoint as additional members of the Board representatives of such Federal departments and agencies as he may deem necessary.
- (c) It shall be the duty of the Chairman pursuant to the policies and programs of the War Council in support of the strategic and legistic plans prepared by the Joint Chiefs of Staff -
 - (1) to coordinate between the military
 departments with regard to industrial matters insluding the procurement, production, and distribution
 plans of the three services;
 - (2) to assign producement responsibilities

 smeng the several military services and to provide,

 so far as practicable, for centralized or coordinated

 purchasing of munitions and of common-user items for all

 branches of the armed forces;
 - (3) to develop and maintain estimates of potential production, procurement, and personnel for the use of the Mar Council in its evaluation of the logistic feasibility of strategic operations;

- (4) to establish relative priorities of the various segments of the military prosurement programs;
- (5) to supervise such bodies as are or may be created to consider the subjects falling within the scope of the Board's responsibilities;
- inter-service committees operating in the fields of procurement, production, and distribution and to make recommendations to regreup, combine, or dissolve them in such manner as to prevent duplication and wasteful competition and to promote efficiency and economy;
- (7) to make recommendations prescribing the pelicies and procedures governing the operation of such of the committees referred to in subparagraph (6) above as may be retained or hereafter established.
- other civilian agencies for the proper correlation of military requirements with the civilian economy particularly in connection with recommending and reporting in regard to the disposition or procurement of strategic and critical material;
- (9) to assemble and review material and personnel requirements presented by the Joint Chiefs of Staff and those presented by the production, procurement and distribution agencies assigned to meet military needs, and to make recommendations thereon to the Mational Security Resources Board;

ment and distribution for the armed services, pursuant to the policies of the Mational Security Resources Roard.

- (d) The Board shall have a staff to be headed by an executive secretary who shall be appointed from civil life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$10,000 a year.
- (e) The executive secretary shall prepare the agenda of the Board and shall have the duty of providing data essential to its deliberations and distributing its conclusions to the departments and agencies concerned for information and appropriate action. The executive secretary shall perform such other duties as may be prescribed by the Board or the Chairman thereof.
- (f) There shall be an executive committee consisting of the Chief military officers of each service in the procurement and legistics field, and such other committees as are necessary to carry out the functions of the Board. The commissioned officer members of the executive committee shall be designated by the Secretaries of their respective departments.
- (g) The Board shall report annually to the Secretary of National Defense an account of the work done by the Board and such report shall, to the extent consistent with the national security, be included in the annual report of the Secretary of National Defense.

JOINT RESPANCE AND DEVELOPMENT BOARD

- SEC. 210. (a) There is hereby established under the War Council a Joint Research and Development Reard, hereinefter in this section referred to as the "Board". The membership of the Board shall comprise a Chairman who shall be the head thereof, two other civilian members, and two representatives each from the Army, Mavy, and Air Force. The Chairman shall receive compensation at the rate of \$ a year; and the two other civilian members, \$12,000; ne additional compensation shall be paid to the representatives of the military departments for service on the Board. All members shall be appointed by the President by and with the advice and consent of the Senate, and the Chairman and other civilian members shall be prominent scientists. The purpose of the Board shall be to advise the War Council as to the status of scientific and medical research relative to the national defense, and to assure adequate provision for research and development on scientific and medical problems relating to the national defense. In addition to the members of the Board, the Board may invite to its meetings, to act as associate members without voting powers, the military and naval officers directly in charge of the research and development agencies of the military departments.
- (b) Under the supervision and direction of the Nar Commonly, it shall be the duty of the Board -
 - (1) to advise the War Council with regard to the status of scientific and medical research relating to matienal defense and the measures necessary to assure continued and increasing progress in this field;

- (2) to consider the interaction of research and development on strategy, and to make reports thereon to the war Council;
- (3) to serve as the center for the mobilisation of the scientific personnel and resources of the nation in erder to assure maximum utilization of such personnel and resources in developing and applying the results of scientific research to defense purposes;
- (h) to coordinate the conduct of research and development between the military departments, and to allocate between them responsibilities for the conduct of specific programs of joint interest, in order to eliminate unnecessary or wasteful duplication or overlapping;
- (5) to coordinate and aid the experimental and other scientific and medical research activities relating to the national defense carried on by the military departments and other departments and agencies of the Federal Government;
- (6) to recommend to the military departments as to action to be taken by them in order to fill in gaps that have appeared in their planned programs;
- (7) to review existing scientific research programs formulated by the military departments and other agencies of the Government, and advise them with respect to the relationship of their proposed activities to the total research program.

- (c) In carrying out its duties the Board shall exercise me control over the internal administration of research and development sativities which are established in Federal agencies other than those under its immedia a jurisdiction and control, but shall leave such administration to the agencies now or hereafter charged with such responsibilities by law.
- (d) The Board shall have a staff to be headed by an executive secretary who shall be appointed from civil life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$10,000 a year. The executive secretary shall prepare the agends of the Board and provide data essential to its deliberation. He shall keep a record of its conclusions and distribute them to the agencies concerned; and he shall perform such other duties as may be prescribed by the Board.
- (e) The Board shall report annually to the Secretary of Mational Defense an account of the work done by the Board, and such reports shall, to the extent consistent with the national security, be included in the annual report of the Secretary of National Defense.

TITLE III - DEPARTMENT OF THE
AIR FORCE AND
UNITED STATES AIR FORCE

LEPARTMENT OF THE AIR FORCE

- SEC. 301. (a) There is hereby established at the seat of Government an executive department to be known as the Department of the Air Force, which shall be administered by a Secretary of the Air Force, who shall be appointed by the President, by and with the advice and consent of the Senate.
- (b) Section 158 of the Revised Statutes is amended to include the Department of the Air Force and the provisions of so much of Title IV of the Revised Statutes as now or hereafter amended as is not inconsistent with this Act, shall be applicable to the Department of the Air Force.
- (c) The Secretary of the Air Force shall cause a seal of office to be made for the Department of the Air Force, of such device as the President shall approve, and judicial notice shall be taken thereof.
- (d) There shall be in the Department of the Air Force, not to exceed two assistant secretaries for such department, who shall be appointed by the President with the advice and consent of the menate, and who shall perform such duties as may be prescribed by the Secretary of the Air Force, and who shall receive compensation at the rate of \$10,000 a year.

SEC. 301. (Cont.)

- under this Act, of civilian personnel of the Department of the Army shall be without changes in classification or compensation, but the Secretary of the Air Force is authorized to make such changes in the titles and designations and prescribe such changes in the duties of such officers and employees commensurate with their classification as he may deem necessary to carry out the purpose of this Act.
- (f) All laws, orders, and regulations, relating generally to executive departments, which are not in conflict with any provision of this Act, shall be applicable to the Department of the Air Force until repealed, modified, or superseded.

UNITED STATES AIR FORCE

- SEC. 302. (a) The United States Air Force shall consist of such personnel, officers, offices, agencies, organizations, installations, material, property, records, and projects as are, on the effective date of this Act, under the jurisdiction, control, authority or command of the Commanding General, Army Air Forces, or such as may hereafter be assigned or transferred to it from time to time by law or by Executive Order of the President.
- (b) There is hereby established the Office of Chief of Staff of the Air Force, to be appointed by the President, by and with the advice and consent of the Senate, and the offices of the Chief of the Air Corps and Assistants to the Chief of the Air Corps provided for by the Act of June h, 1920, as smended (hl Stat. 768), are hereby abolished. While holding office as Chief of Staff of the Air Force, the incumbent shall hold a grade and receive pay and allowances equivalent to those prescribed by law for the Chief of Staff of the Army.
- (e) Any member of the armed forces who by operation of this act becomes a member of the United States Air Force or by subsequent action is transferred or assigned to the United States Air Force, shall not be deemed to have been appointed to a new or different office or grade from that held by him at the time of such assignment or transfer, or to have vacated his permanent or temporary appointment in an existing sempenent of the armed forces solely by virtue of such assignment or transfer. We such assignment or transfer shall alter or prejudice the status of any

member of the armed forces so assigned or transferred, so as to deprive him of any right, benefit, or privilege to which he may be entitled under existing law.

(d) All existing lass, Executive Orders, and regulations relating to members of the armed forces, or any component thereof, or relating to persons serving with the armed forces, to the extent not in conflict with this act, shall continue in full force and effect and shall apply to present and future members of the armed forces and other persons serving therewith, until repealed, modified, or superseded.

TIPLE IV - M I S C E L L A N E O U S COMPENSATION AND APPOINTMENT OF SECRETARIES

- SEC. 401. (a) The Secretary of National Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Ferce shall each receive compensation at the rate of \$15,000 s year.
- (b) When a vacancy exists in the office of Secretary of the Army, Secretary of the Navy, or Secretary of the Air Force, the Secretary of National Defense will recommend a suitable person to the President to fill such office.

CHANGE IN HAME OF DEPARTMENT OF WAR

SEC. 402 On the effective date of this Act the name of the Department of Mar shall be changed to the Department of the Army and the titles of the Secretary of War and Assistant Secretary of War shall be changed to Secretary of the Army and Assistant Secretary of the Army, and the office of Assistant Secretary of War for Air shall be abolished.

ADVISORY COMMITTEES AND PERSONNEL

of National Defense, the Chairman of the National Security Resources Board, and the Director of Central Intelligence, respectively, are authorized to appoint such advisory committees and to employ such part—time advisory personnel as they may deem necessary or appropriate to aid in carrying out their respective functions.

Persons holding other offices or positions, under the United States for which they receive compensation while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part—time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed \$50 for each day of service, as determined by the appointing authority. The members of such committees and other personnel so employed shall be reimbursed for their necessary travel and other expenses.

part-time personnel employed under this section may serve as such without regard to sections 109 and 113 of the Criminal Code (U.S.C., Title 18, Secs. 198 and 203), and section 19(c) of the Contract Settlement Act of 19kk (U.S.C., Title 41, Sec. 119), except insofar as such sections may prohibit any such person from receiving compensation in respect of any particular matter which directly involves a department or agency Approved 50th Release: 2000/08/25 or Cia-RDP5 2:00384R00400003804504 is

directly interested.

PERHANENT PERSONNEL

SEC. hOh The Secretary of National Defense, Secretary of the Air Force, the executive secretary of the Council of Mational Defense (subject to the direction of such Council), and the Chairman of the National Security Resources Board are each authorized to appoint and fix the compensation of such personnel as may be necessary to perform their respective duties. Such appointments shall be made and such compensation shall be fixed in accordance with the provisions of the civil service laws and the Classification act of 1923, as amended,

RULES AND REGULATIONS

SEC. 405 The Secretary of National Defense, the Council of Mational Defense, the Chairman of the National Security Resources Board, and the Director of Central Intelligence are each authorized to make such rules and regulations as may be necessary to enable them to carry out their respective duties.

All unexpended balances of appropriations, SEC. LO6 allocations, or other funds available for use by the Army Air Force or officers thereof, are hereby transferred to the Department of the Air Force for use in connection with the exercise of its functions. Such unexpended balances so transferred may be used for the purposes for which the appropriations, allocations, or other funds were originally made available, or for new expenditures occasioned by the enactment of this Act. The transfers herein authorised may be made with or without warrant action as may be appropriate from time to time from any appropriation covered by this section to any other such appropriation or to such new accounts established on the books of the Treasury as may be determined to be necessary to carry into effect the provisions of this Act.

SEPARABILITY OF PROVISIONS

asso, 407. If any provision of this act, or the application of such provision to any person or circumstances, is held invalid, the remainder of this act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.